



Workforce Awareness

Reducing Turnover and Gaining ROI on
Human Capital

- Problem Facing Small DBE
- Workforce Statistics
- Proposal to Solve the Problem
- How We Can Help
- Q&A

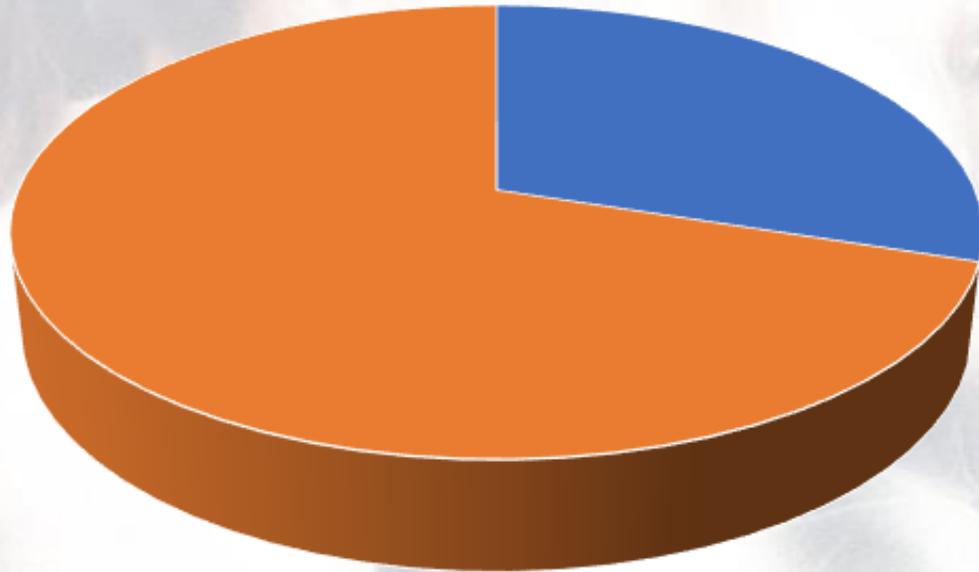
General Employment Turnover Statistics

- Only 33% of employees plan to stay in their current roles. This is less than the 47% who stated the same in 2019. ([Achievers Workforce Institute](#), 2021)
- 52% of employees plan to look for a new job in 2021, a 35% increase from the previous year. ([Achievers Workforce Institute](#), 2021)
- One-seventeenth of employees are indecisive about leaving yet open to new opportunities. ([Achievers Workforce Institute](#), 2021)
- In the U.S., 62% of manufacturing and maintenance workers depart voluntarily. ([Financesonline](#), 2021)
- Employees in manufacturing, maintenance, service, and trade account for 28.4% of the total turnover. This is followed by office and technical workers, with 19.5%, managerial and professional workers with 14.3%, and executives with 7.7%. ([Financesonline](#), 2021)
- Companies with a clear mission have a 49% lower attrition rate than those that don't. ([Linked in](#), 2020)



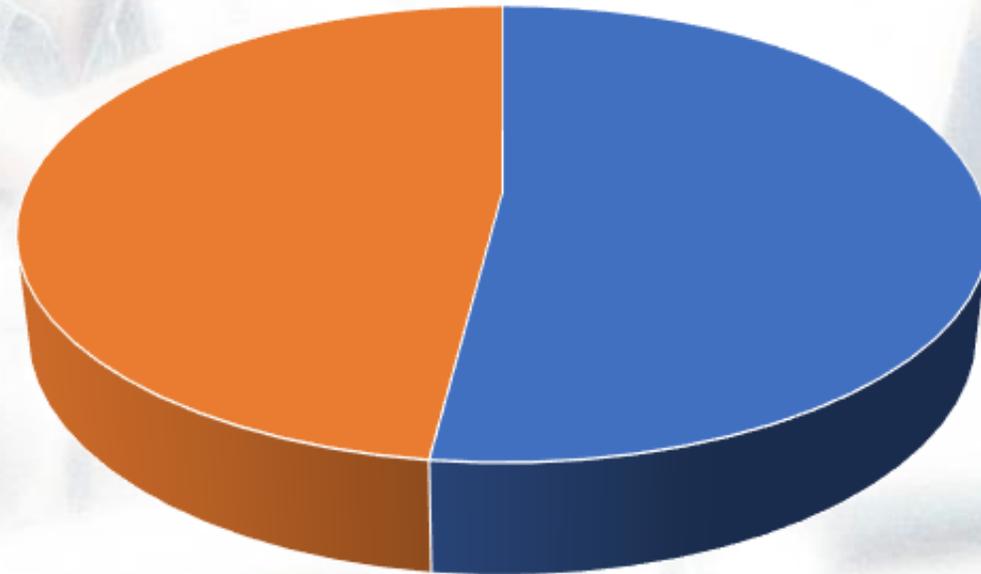
General Employment Turnover Statistics

Plan to Stay in Current Roles



■ Stay ■ Leave ■ ■

Looking For New Jobs



■ New ■ Remain ■ ■



- Turnover and replacement expenses at a 100-person company with an average pay of \$50,000 might be as high as \$2.6 million per year. ([Gallup](#), 2019)
- Almost three-quarters of businesses admit to employing the incorrect individual for the job, and each lousy hire can cost companies an average of \$14,900. ([Careerbuilder](#), 2017)



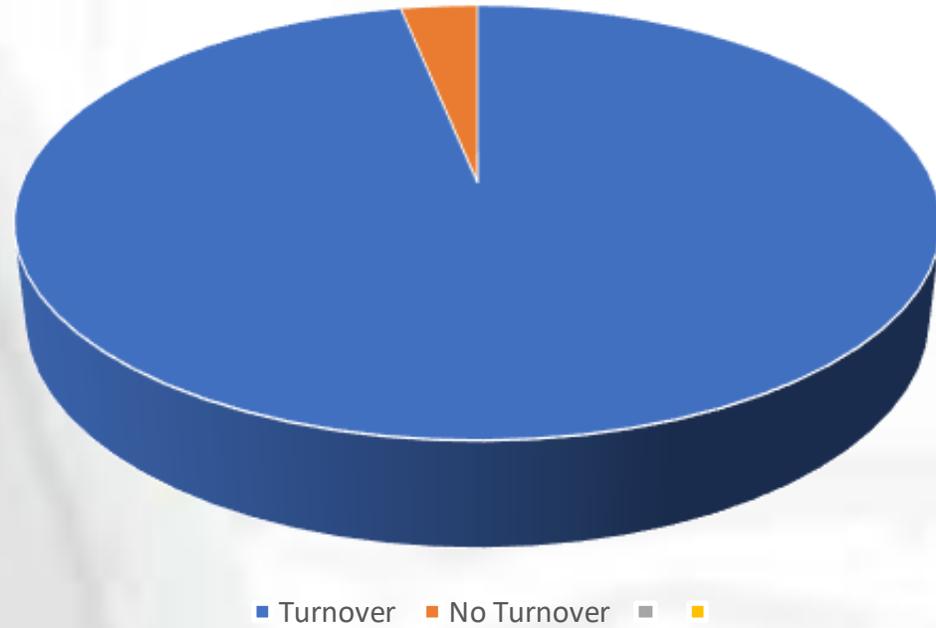
Employment Turnover & Covid-19

- Employee turnover in small firms increased 20% in 2020. ([Principal Financial Group](#), 2021)
- 97% of small businesses said the COVID-19 epidemic significantly influenced employee turnover. ([Principal Financial Group](#), 2021)
- At the beginning of the pandemic, the total number of restaurant staff layoffs surpassed 5.5 million. ([Restaurantbusinessonline](#), 2020)
- Almost half of the employees that worked from home will not return to employers that don't provide remote work following COVID-19. ([Pwc.com](#), 2021)
- 80% of full-time workers are expecting to work from home at least three times per week after COVID-19. ([Pwc.com](#), 2021)

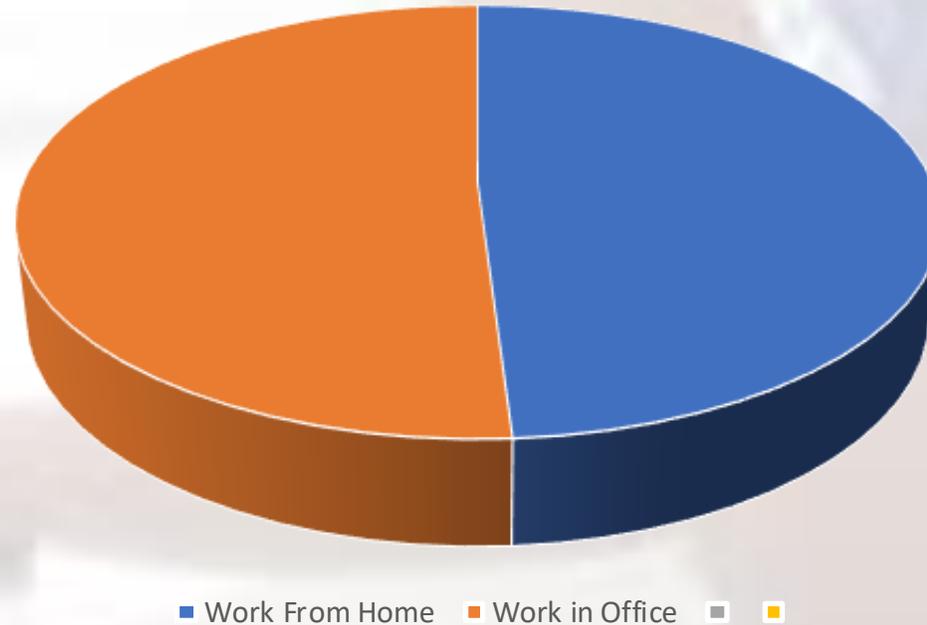


Employment Turnover & Covid-19

COVID Influenced Turnover



Employers that Allow...



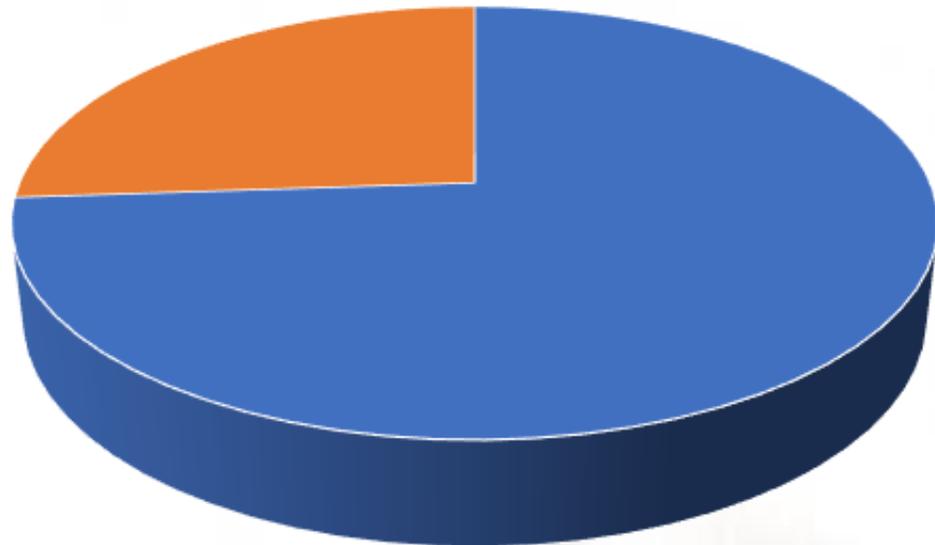
Managers' & Leaders' Influence on Turnover

- More than three-quarters of Americans believe their boss establishes the culture, while 36% believe their manager has team leadership skills. ([Gallup](#), 2020)
- Workers in managerial and professional jobs had a median tenure of 4.9 years, with the longest tenures being in legal, architecture, and engineering roles. ([bls.gov](#), 2020)
- Up to 54% of employees believe that their employer doesn't consider their aspirations and future interests into account. ([Great Resignation Research Report](#), 2021)
- 29.3% of workers believe their organization doesn't support their professional development. ([Great Resignation Research Report](#), 2021)
- Consequently, up to 73.9% of high-performing employees believe there are better (and more) opportunities for them outside their current organization. ([Great Resignation Research Report](#), 2021)
- 72% of hiring managers say they provide clear job descriptions, compared to 36% of candidates saying they received clear job descriptions. ([Linked in](#), 2020)



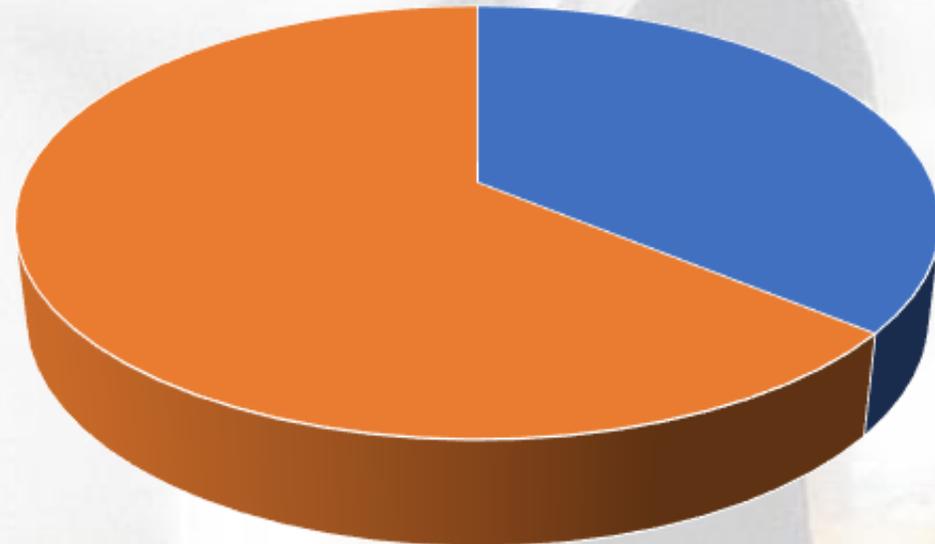
Managers' & Leaders' Influence on Turnover

Development Opp for High Performers



■ Outside the Org ■ Insdie the Org ■ ■

75% of American Employees think..



■ Boss Has Leadership Skills ■ Boss Has NO Leadership Skills ■ ■



The Effects of Pay, Recognition & Employee Development on Turnover

- 23% of full-time employees are willing to accept a wage drop of more than 10% to work from home at least part of the time. ([Ber.org](#), 2021)
- According to 68% of employees, their organization's [recognition program](#) has a good impact on retention. ([SHRM](#))
- The most common reason for employee turnover is a lack of opportunity for growth and development. 22% of workers depart for professional advancement. This figure has risen to 170% in the last decade. ([Workinstitute](#), 2019)
- Approximately 94% of employees would stay at a company longer if it displayed a commitment to assisting them in their learning. ([CNBC](#), 2019)
- Companies that provide better training have a 53% lower turnover rate. (Business.[linkedin](#), 2020)
- Employee experience is becoming more critical, according to 96% of personnel professionals. (Business.[linkedin](#), 2020)
- The primary purpose of their focus on employee experience, according to 77% of respondents, was to boost retention. ([Linked in](#), 2020)
- With higher levels of involvement, organizations have 43% less turnover.



What can you do?

1. Hire Based on Your Company Values
2. Provide Flexible Working Options
3. Focus on Professional Development
4. Develop Management Leadership Skills

Cove Values Defined:

Core values are **traits or qualities that are not just worthwhile, they represent an individual's or an organization's highest priorities, deeply held beliefs, and core, fundamental driving forces.** They are the heart of what your organization and its employees stand for in the world.



What can you do?

1. Hire Based on Your Company Values

Shockingly **up to 80% of a company's employee turnover rates** may be attributed to hiring practices that are not aligned with a company's core values.

Moreover, a recent **Glassdoor survey indicated that 35% of hiring managers** believe their **newly appointed employees will tender their resignations before the end of the year.**

2. Provide Flexible Working Options

A recent survey highlighted that **1 in every three employees** who are currently **working from home would resign if required to work in their company office on a full-time basis.**

Statistics bear this out as companies that allow for flexible work arrangements that include working remotely have 25% lower employee turnover rates than solely office-based employees



What Can You Do ? (cont...)

3. Focus on Professional Development

It has been statistically proven that **70% of employees are prepared to leave** their current employment for better professional development and learning opportunities at other companies.

4. Develop Management Leadership Skills

It is a well-known fact that **employees leave toxic managers – not their companies.**

While managers might have the required technical skills to excel in their field, it does not mean that they can manage people.



Recommendations to Solve Problems

- Take a consultant approach (flexibility)
- Training (technical and soft skills)
- Make a more attractive employee experience
- Make better managers at all levels



Return on Investment (Calculation)

Scenario 1

- Employee Annual income is \$50,000
- Employee leaves company

Cost:

Replace: 150%= \$75,000

Retrain: 15%-20%=\$7.5k-\$10k

Decreased production: ?

\$82,500-\$85,000

Scenario 2

- Employee Annual income is \$50,000
- Invest in Employee
- Cost:

Training: \$2,500

Recognition:\$240

Flexibility: ?

\$2,740



Return on Investment (Cont...)

Scenario 1 Return:

-\$32,000- -\$35,000

Scenario 2 Return:

- Improve \$150,000 Process / System: by 10% =\$15,000 Return
- Stop turnover of 3 other employee= \$96,000-\$105,000

Scenario 2 Return:

- 362%
- Stop turnover of 3 other employee= Keep \$96,000-\$105,000 in your budget



Do You Know Your leadership Style?

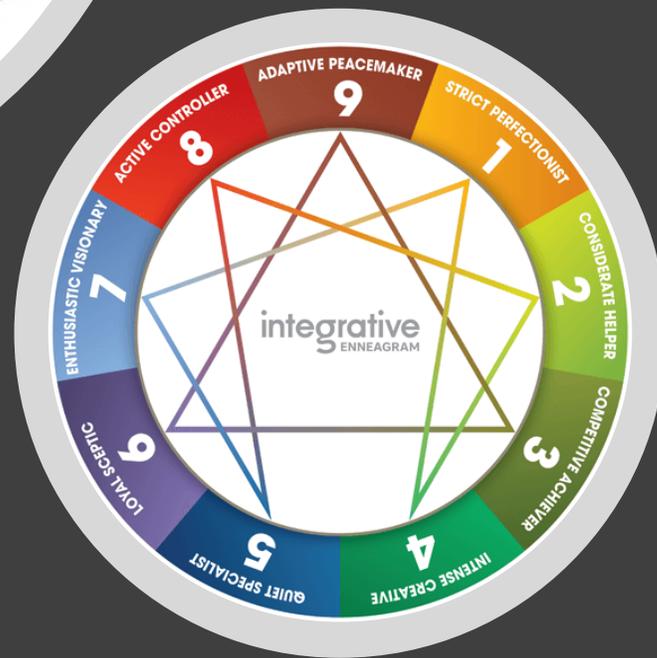
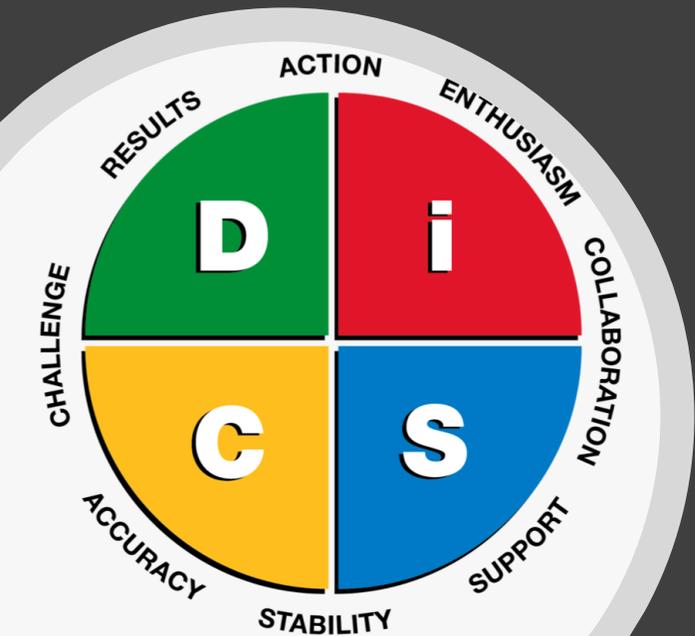
4 Major Leadership Styles

99% Lead Wrongly



Do You Know Your leadership Style?





Know Thyself

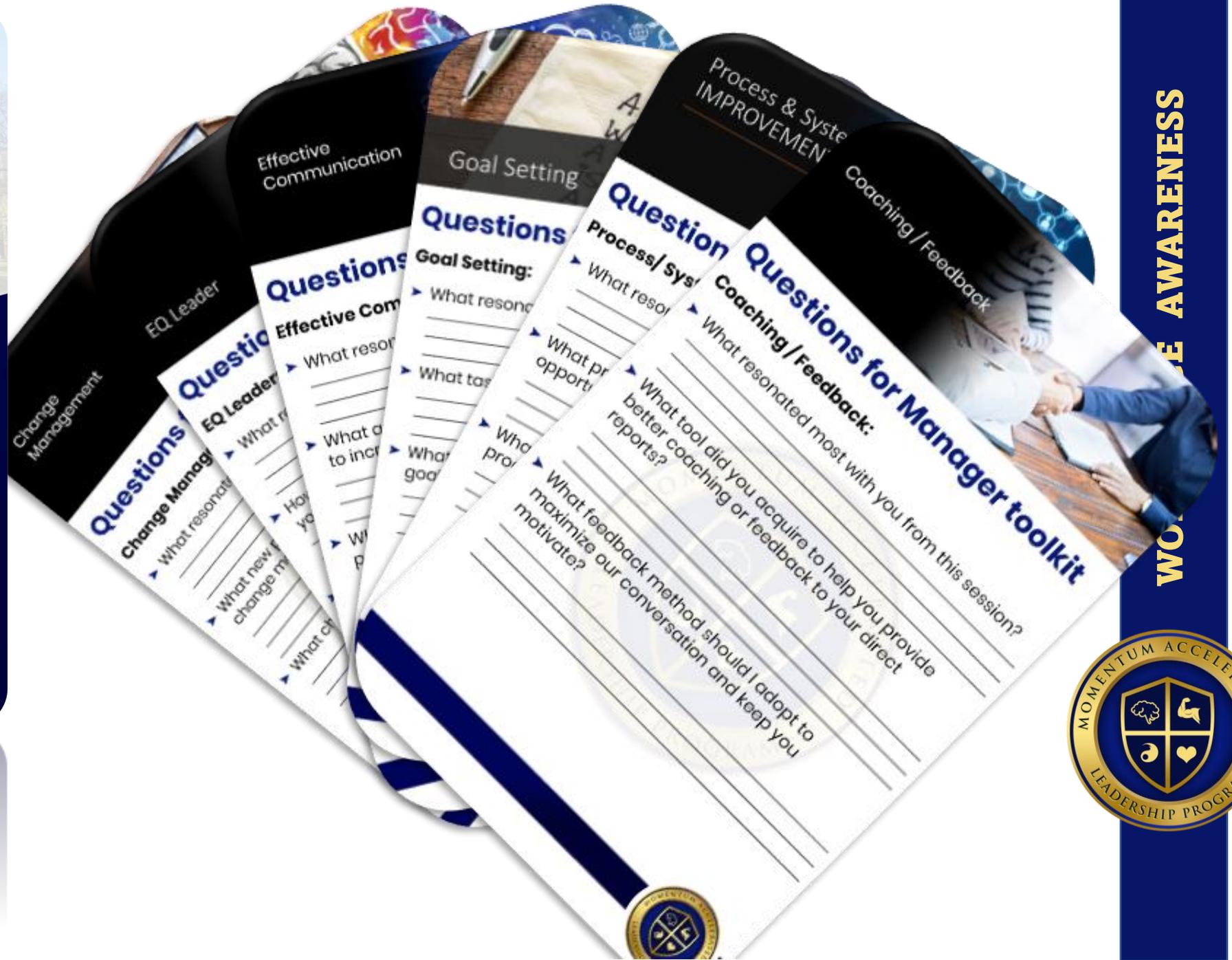
- *“Knowing other is Intelligence;*
- *Knowing thyself is true wisdom.*
- *Mastering other is strength;*
- *Mastering yourself is true power.”*
- -Laou-Tzu-



MOMENTUM ACCELERATED LEADERSHIP PROGRAM



MANAGER CONVERSATION STARTER



WOMEN'S AWARENESS



MANAGER CONVERSATION STARTER



WORKFORCE AWARENESS



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